

# INSTRUCTIONS FOR FORM N-188X

AMENDED INDIVIDUAL INCOME TAX RETURN

## Purpose of Form N-188X

Use Form N-188X to correct your income tax return, Form N-11, N-12, N-13, N-13EZ or N-15.

For taxable year 1997 and thereafter, nonresidents and part-year residents cannot use Form N-188X to file their amended return. They must file an amended return on Form N-15. Use the version of Form N-15 for the year (e.g., 1997) being amended, write the word "AMENDED" in the upper left hand corner of the return, and fill in the return with all the correct information.

**Note:** Act 31, Session Laws of Hawaii 1993, requires the filing of an amended income tax return instead of a report to the Department of Taxation when there is a change in taxable income for federal income tax purposes. The provisions of Act 31, SLH 1993, are effective January 1, 1994.

If you are changing your Hawaii return, you may also have to change your federal return. Please note that it often takes several months to process Form N-188X. We will figure the interest and will either include it in your refund or bill you for it.

You should use Form N-109, Application for Tentative Refund, instead of Form N-188X in some cases. Use Form N-109 if:

- you are applying for a tentative refund resulting from a net operating loss, AND
- less than one year has elapsed since the end of the year in which the loss or credit arose.

## Information on Income, Deductions, etc.

If you have questions, such as what income is taxable or what expenses are deductible, the instructions for the return you are amending may help you. Be sure to use the Tax Table, Tax Rate Schedules, or Capital Gains Tax Worksheet for the proper year to figure the corrected tax. The related schedules and forms may also help you. If you need more information, contact the district office where the original return was filed.

### Death of Taxpayer

If you are claiming a refund as surviving spouse filing a *joint* return with the decedent, write "deceased" and show the date of death in the name and address space of Form N-188X. Also write "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she may also sign. All filers requesting a refund due a decedent (except if you are filing as surviving spouse filing a *joint* return with the decedent) must file Form N-110, Statement of Person Claiming a Refund Due a Deceased Taxpayer, to claim the refund.

### What Attachments to the Return are Required

Attach the appropriate schedule or form to this amended return to explain any change in income, deduction or credit if the individual income tax return and instructions require a schedule or form. For example, if there is a change in the capital gain item, complete Schedule D (or Capital Gains Tax Worksheet) and/or Schedule D-1 and attach it or both to this amended return.

## Where to File

File with the district office where your original return was filed. See page 2 for addresses.

## When to File

File Form N-188X after you filed your original return. Generally, Form N-188X must be filed within 3 years after the date the original return was due or 3 years after the date you filed it, whichever is later. A Form N-188X based on a net operating loss carryback generally must be filed within 3

years after the due date of the return for the tax year of the net operating loss.

## Penalty

You may be charged a penalty of 20% of taxes not completely paid within 60 days of the prescribed filing date of the return.

The law provides a penalty of 5% of the tax due for each month or part of a month that the return is late, but not more than 25%.

**Note:** For tax years prior to 1997, if an extension was granted on your original return, and you failed to pay at least 90% of your amended tax liability by the 20th day of the fourth month following the close your taxable year, your extension is **void** and you will be assessed penalties and interest.

## Preparer Information

If you fill in your own tax return or someone prepares it and does not charge you, the "Paid Preparer's Information" area should remain blank.

Generally, anyone who is paid to prepare your tax return must fill in the blanks in the "Paid Preparer's Information" area of your tax return, and sign in the space provided in the same area.

If you have questions about whether a preparer is required to sign your return, please contact any district office.

**The person required to sign your return MUST complete the required preparer information and:**

- **Sign it, by hand, in the space provided for the preparer's signature (signature stamps or labels are not acceptable).**
- **Give you a copy of your return in addition to the copy filed with the Department of Taxation.**

## Net Operating Loss

Attach a statement showing how you figured your net operating loss. You may use Schedule A of Form N-109 for this purpose.

## Attachments

If you are filing an amended return due to a net operating loss or a change due to the provisions of Act 31, SLH 1993, for taxable years beginning after December 31, 1994, attach copies of your original federal Form 1040 and federal schedules A, B, and D to Form N-188X.

## Line-By-Line Instructions

### Page 1

**ABOVE YOUR NAME, ENTER THE CALENDAR YEAR OR FISCAL YEAR OF THE RETURN YOU ARE AMENDING.**

**Item (a)** — Check the box which applies to the return you are amending: Forms N-11 and N-12 are the resident individual long-form returns; Forms N-13 and N-13EZ are the resident individual short-form returns; and Form N-15 is the nonresident return. For tax years beginning 1997, Form N-15 is the nonresident and part-year resident tax return. These filers cannot use Form N-188X to amend their tax return. They must use Form N-15, write the word "AMENDED" in the upper left hand corner of the return, and fill in the return with all the correct information. Attach a statement to the amended return explaining the changes to income, deductions, and credits. Indicate the district office where your original return was filed. See "Where to File" on page 2 of these instructions for the addresses of the district offices.

**Item (b)** — Check the proper box. If the Department of Taxation has asked you to furnish addi-

tional information to support any item on your original return and the issue is still open, check the "Yes" box. If the issue has been settled, check the "No" box and if a change was made, use the adjusted figures in column A.

**Item (c)** — Check the proper box. Any change made by the Internal Revenue Service on your federal return must be reported to the Department of Taxation within 90 days after the federal change is finally determined.

**Item (d)** — **Filing status.** If you are changing from separate returns to a joint return, both you and your spouse must sign the amended return.

**Note:** If you filed a joint return, and you and your spouse decide to file separate returns for the year, both of you must file amended returns on or before the due date (April 20) of the original return.

**Column A.** — Enter the amounts from your return as originally filed or as you later amended it. If your return was audited, enter the amounts that were determined as the result of the examination.

**Column B.** — Enter the increases or decreases you are making. Bracket all decreases. Explain each change on page 2, Part II, and attach any related schedule(s).

**Column C.** — Add the increase in column B to the amount in column A or subtract the column B decrease from column A. Show the result in column C. For any item you do not change, enter the amount from column A in column C.

**If your Amended Return changes only credits, tax, or payments, skip lines 1-7 and start with line 8.**

## INCOME AND DEDUCTIONS

**Line 1. — Total Income.** On page 2, Part II, explain any changes you make on this line. To figure this amount, add income from all sources, such as wages, interest, dividends, and net profit from business. For Form N-11 filers, this amount is your federal adjusted gross income amount.

Use the reportable income for the respective years as follows:

1994 N-12, line 21; N-13, line 11; N-15, line 21.  
1994 N-13EZ, line 5.  
1995 and 1996 N-15, line 21.  
1995, 1996, and 1997 N-11, line 7; N-12 line 19.

**Line 2. — Adjustments to Income.** Enter on this line the total of all adjustments to income as follows:

1994 N-12, line 30; N-15, line 30.  
1995, 1996, and 1997 N-11, the net amount of lines 11 and 18 (if line 11 is greater than line 18, show the amount as a positive amount on line 2; if line 18 is greater than line 11, show the amount in (BRACKETS) on line 2).  
1995 N-12, line 28; N-15, line 30.  
1996 N-12, line 29; N-15, line 31.  
1997 N-12, line 30.

**Line 3. — Adjusted Gross Income.** For Form N-11 filers, if the net amount on line 2 is a positive amount, add line 2 to line 1.

**Line 4. — Deductions.** If you are itemizing, enter on this line the total deductions as follows:

1994 N-12, line 33g; N-15, line 33h.  
1995 N-11, line 21; N-12, line 32; N-15, line 33h.  
1996 N-11, line 21; N-12, line 33; N-15, line 34h.  
1997 N-11, line 21; N-12, line 34.

Taxpayers who do not itemize their deductions may reduce their adjusted gross income by the amount of the standard deduction appropriate to their filing status. For Form N-13EZ filers, enter on line 4 the standard deduction amount for your filing status from the list on page 2.

The amount of the standard deduction for each filing status is as follows:

**1994 and subsequent years**

<u>Filing Status</u>	<u>Standard Deduction</u>
Single	\$1,500
Married filing jointly	1,900
Married filing separately	950
Head of Household	1,650
Qualifying Widow(er)	1,900

**Standard deductions for dependents.**

For 1994 and subsequent years, the standard deduction for an individual who can be claimed as a dependent on the tax return of another taxpayer is the greater of (a) \$500, or (b) the individual's earned income (but not more than the appropriate amount shown in the chart above).

If you are not itemizing your deductions, enter the appropriate standard deduction amount on line 4.

**TAX LIABILITY**

**Line 8. — Tax.** Enter your income tax before subtracting any credits.

Figure the tax on the income you reported in column C. Attach the appropriate schedules. Include on line 8 any additional taxes from Forms N-2, N-103, N-152, N-312, N-405, N-586, and N-814. **The tax table, tax rate schedule, or capital gains tax worksheet in the instruction booklet for the applicable year will help you complete line 8.**

**PAYMENTS AND CREDITS**

**Line 9. — Hawaii Income Tax Withheld.** If you are correcting the amount of tax withheld, attach Copy B of any additional or corrected Form HW-2 or N-2 received since your original return was filed.

**Line 10. — Estimated Tax Payments.** Enter the amount of estimated tax payments made for the year you are amending.

**Line 11. — Tax Credits.** This line includes the sum of the following credits:

**For 1994 and subsequent years —**

- Credit for taxes paid to another state or a foreign country
- Credit for Child and Dependent Care Expenses
- Credit for Low-Income Household Renters
- Fuel Tax Credit for Commercial Fishers
- Credit for Child Passenger Restraint Systems
- Capital Goods Excise Tax Credit
- Tax Credit for Low-Income Housing
- Enterprise Zone Tax Credit
- Credit for Employment of Vocational Rehabilitation Referrals

**For 1995 and subsequent years —**

- Food Tax Credit

**For 1994 —**

Food/Excise Tax Credit

**For 1994 through 1995 —**

- Credit for general income tax

**For 1994 through June 30, 1997 —**

- Medical Services Excise Tax Credit  
(For tax years after 1994, the credit cannot be claimed for medical expenses where only the 4% tax was paid.)

**For 1994 through 1998 —**

- Credit for solar and wind energy devices and heat pumps, and ice storage systems

**For 1997 and subsequent years —**

- Motion Picture and Film Production Income Tax Credit
- Hotel Remodeling Tax Credit

**CAUTION:**

Claims for the following tax credits, including any amended claims thereof, must be filed on or before the end of the twelfth month following the close of the taxable year for which the credit may be claimed.

- Credit for general income tax
- Credit for Low-Income Household Renters
- Fuel Tax Credit for Commercial Fishers
- Credit for Child Passenger Restraint Systems
- Food/Excise Tax Credit
- Capital Goods Excise Tax Credit
- Medical Services Excise Tax Credit
- Credit for Employment of Vocational Rehabilitation Referrals
- Motion Picture and Film Production Income Tax Credit
- Hotel Remodeling Tax Credit

**Line 12. — Amount Paid with Form N-101A and N-101B.** If you filed an application for an automatic extension and/or additional extension of time to file your tax return, enter the amount paid with Form N-101A and N-101B. For tax years beginning in 1997, if you used federal forms 4868 and/or 2688 in lieu of Forms N-101A and N-101B, enter those amounts paid with the federal forms.

**Line 13. — Amount Paid.** Enter the "Balance Due" amount reported on your original Form N-11, N-12 or N-15, "the AMOUNT YOU OWE" reported on your original Form N-13, or "This is the Amount You Owe" reported on your original Form N-13EZ. Also, include any additional tax paid as a result of an examination of your original return. **Do not include payments of interest or penalties assessed.**

**REFUND OR AMOUNT YOU OWE**

**Line 15. — Overpayment Shown on Original Return.** Enter "the amount OVERPAID" reported on your original Form N-11, N-12 or N-15, "the amount to be REFUNDED TO YOU" reported on your original Form N-13, or "This is your Refund" reported on your original Form N-13EZ. If an ad-

ditional overpayment was received as a result of an examination of your original return, also include that amount on line 15. **Do not** include any interest received on any refund.

**Lines 16. — If line 16 results in a minus figure, add it to line 8, instead of subtracting. Enter the result on line 18.**

**Line 18. — Amount You Owe.** Attach your check or money order for the full amount when you file. Make it payable to "Hawaii State Tax Collector". Be sure to write your social security number, "Form N-188X", and the applicable tax year on it. Please pay in U.S. dollars. If line 18 is under \$1, you do not have to pay.

**Note:** If you include penalty and/or interest with your payment, identify and enter these amounts on a separate sheet of paper and attach to Form N-188X. Do not include the penalty and/or interest amounts in the Amount You Owe on line 18 of Form N-188X nor explain the payment of penalty and/or interest in Part II of Form N-188X.

**Page 2**

**Part I — Exemptions.** Enter in column A, the exemptions claimed on your original return Forms N-11, N-12, N-13, or N-15. For Form N-13EZ filers, enter "1" if your filing status was single or "2" if your filing status was married filing jointly. Enter in column B, any increase or decrease to exemptions claimed on your original return. Enter in column C the corrected number of exemptions you are claiming on this amended return.

A blind, deaf or totally disabled person who qualifies may be allowed a Disability Exemption of \$7,000. The Disability Exemption is in lieu of the regular personal exemption of \$1,040.

The following maximum exemptions are allowed:

- Single — \$7,000
- Husband and Wife (both disabled) — \$14,000
- Husband or Wife (nondisabled spouse under 65) — \$8,040
- Husband or Wife (nondisabled spouse age 65 and over) — \$9,080

**Note:** If you claim this special exemption you will not be able to claim the additional exemptions for your children or other dependents.

Complete lines 1 through 5 in all cases as they apply. Complete line 6 only if you claim more exemptions.

**Part II — Explanation of Changes.** Show the changes in detail and explain in detail the reasons for the changes. Attach applicable schedules.

**Part III — Hawaii Election Campaign Fund.** If no designation was made on your original tax return when filed, a designation may be made on an amended return that is filed within twenty months and ten days after the due date for the original return for such taxable year. A designation once made whether by an original or amended return may not be revoked.

**Where to File**

File with district office where original return was filed.

Oahu District Office  
P.O. Box 3559  
Honolulu, Hawaii 96811-3559

Maui District Office  
P.O. Box 913  
Wailuku, Hawaii 96793-0913

Hawaii District Office  
P.O. Box 1377  
Hilo, Hawaii 96721-1377

Kauai District Office  
P.O. Box 1688  
Lihue, Hawaii 96766-5688

**CAUTION**

To figure your corrected tax, be sure to use the Tax Table, Tax Rate Schedules, or Capital Gains Tax Worksheet for the year you are amending your return.